

[illegible]

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				38S.	24E	19	ABO. PETROLEUM CORP.



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

December 19, 1986

RECEIVED
DEC 23 1986

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

DIVISION OF
OIL, GAS & MINING

ATTENTION: Ms. Arlene Sollis

RE: Exception to the locations for:
Abo Petroleum Corporation's
Arabian Federal #4
825' FSL & 2510' FEL
Arabian Federal #5
2180' FSL & 2580' FEL
Arabian Federal #6
2195' FNL & 2180' FEL
Section 19-T38S-R24E
San Juan County, Utah

Dear Ms. Sollis:

Abo Petroleum Corporation hereby requests an exception to Rule 302 of the Oil and Gas Conservation's general rules and regulations orders. Abo Petroleum Corporation hereby is requesting that the unorthodox location for the Arabian Federal #4, Arabian Federal #5 and the Arabian Federal #6 be favorably approved by the State of Utah, Division of Oil, Gas and Mining.

The reasons for moving the locations unorthodox was due to geological and topographical reasons. With our interpretation of all materials and information it was determined that each location was best for wildcat drilling activities.

We control the surrounding acreage within a 460 foot radius. A copy of a topographical map is enclosed showing the outline of the lease.

If you have any questions regarding this matter, please contact Abo's geologist, Mr. Steve Speer at 505-748-1471.

Thank you for your cooperation in this matter.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 12-24-86
BY: [Signature]

CC:rj

Sincerely yours,

[Signature]
Cy Cowan
Regulatory Agent

Enclosures

15

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Abo Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street - Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface 825' FSL & 2510' FEL

UNORTHODOX LOCATION

SW/SE

At proposed prod. zone

Same

PROPER PAPERWORK HAS BEEN SENT TO STATE OF UTAH

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 5 miles north of Hatch Trading Post

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

825'

16. NO. OF ACRES IN LEASE

3300

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6080'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5048' GR.

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48# H-40	Approx. 108'	50 sacks
12-1/4"	8-5/8"	24# J-55	" 1985'	800 sacks - circulate
7-7/8"	5-1/2"	15.5# J-55	TD	400 sacks

We propose to drill and test the Akah and intermediate formations. Approximately 1985' of intermediate casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulate as needed for production.

MUD PROGRAM: Fresh water to 5500'; fresh water gel to TD

BOP PROGRAM: BOP's will be nipped up when intermediate casing is set

RECEIVED
DEC 31 1986

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Cay Cowan

TITLE

Regulatory Agent

DATE

Dec. 19, 1986

(This space for Federal or State office use)

PERMIT NO.

43-037-31300

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

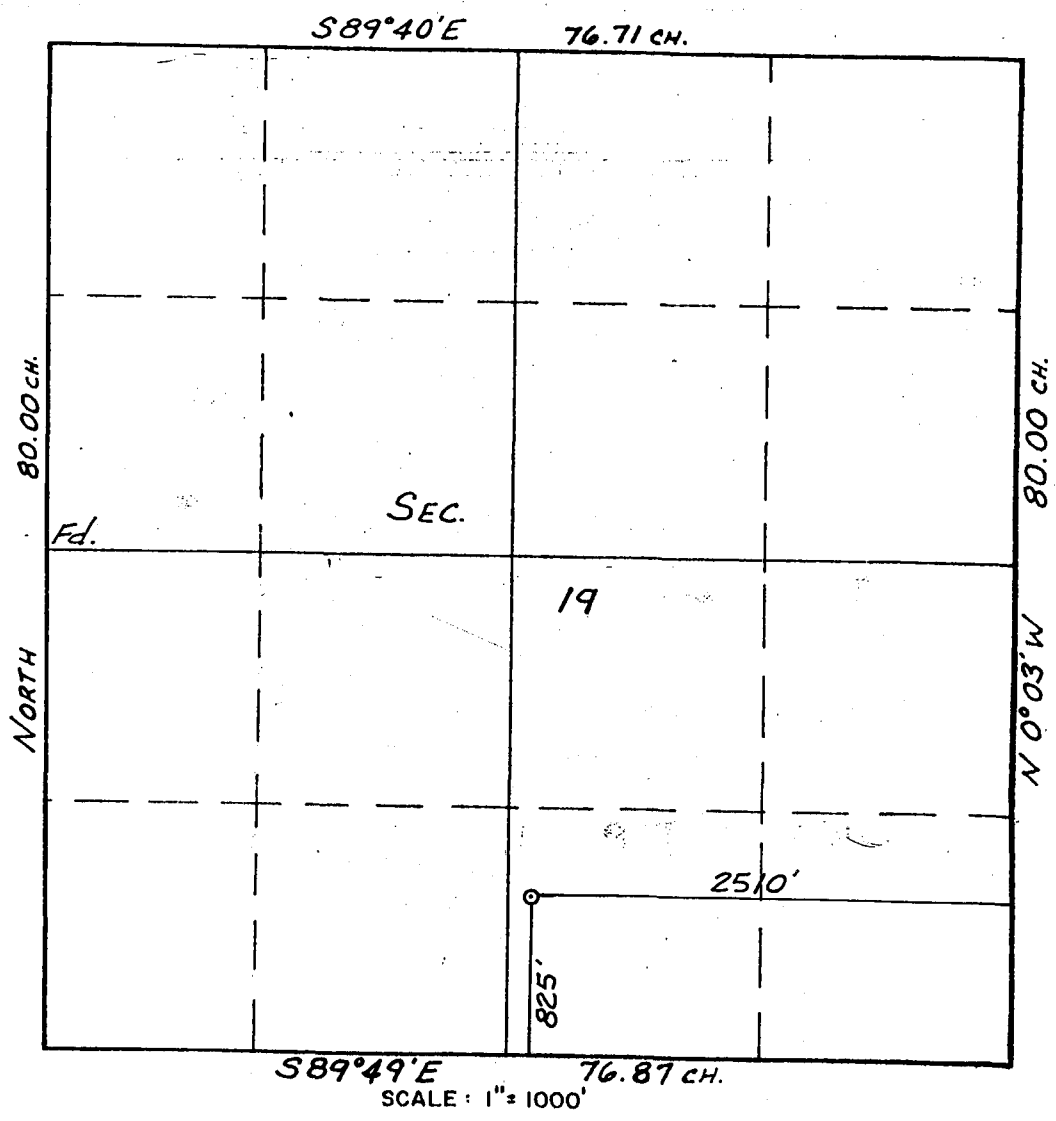
DATE: 1-5-87

BY: John P. B...

WELL SPACING: 302.1

*See Instructions On Reverse Side

COMPANY ABO PETROLEUM CORPORATION
LEASE ARABIAN FEDERAL WELL NO. 4
SEC. 19, T. 38 S, R. 24 E
COUNTY San Juan STATE Utah
LOCATION 825' FSL & 2510' FEL
ELEVATION 5048



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



William E. Mahnke II
WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. NO 8466

SURVEYED DEC 8, 1986

CORBIN UNIT
PATRICK PETR OPER

TXP Oper. 67%
SHV O&G,
etal 34%
49991 2.1.92

H K BARTLEY
EL 55387 G
TD 6275
DUG CANYON
U. S.

55626
(11)

Getty 50%
Chorney 25%
W. Armor 25%
56327 2.1.95

U. S.

57470
(7)

57470
(7)

6330

20894
(14)

Skyline Oil
20895 12.19.86

U. S.

U. S.

State

SKELLY OIL
EL 5245 AS
TD 6234
R. J. PARKS

7664
U-56186
10-1-95

TXP, etal 67%
R. Chorney 33%
49833 5.1.89

24

21

Welpet
52656
3.1.94

U. S.

R. C. Perkins
U. S. Min

Perkins
U. S. Min

U. S.

U. S.

Tricentrol 50%
Tenneco etal 50%
42478 4.1.89

20895
(24)

ML4028
(20)

57470
(7)

40361
(31)

40361
(31)

Richard C. Perkins
U. S. Min

Champlin
ML40298
11.1.92

15051
(23)

52656
(21)

U. S.

U. S.

U. S.

U. S.

R. Duncan
ML40301
4.11.93(St)

Houston Oil &
Minerals Corp.
40361 7.1.88

Champlin
ML40302 11.1.92

40361
(31)

36

31

32

33

Exhibit E

ALKALI

State

U. S.

State

U. S.

CLS Oil
56173 2.1.95

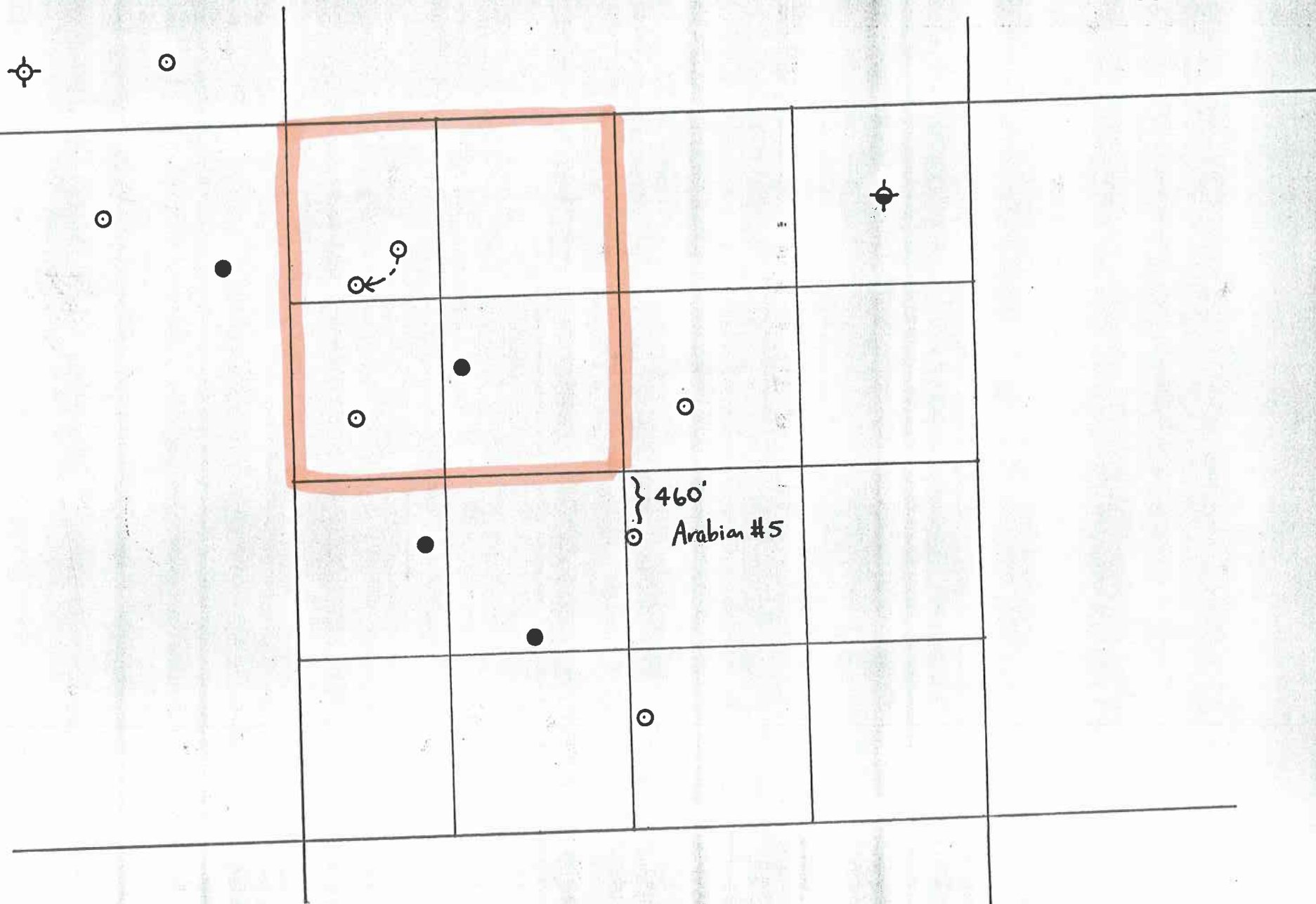
BUFFALO PET

Oil

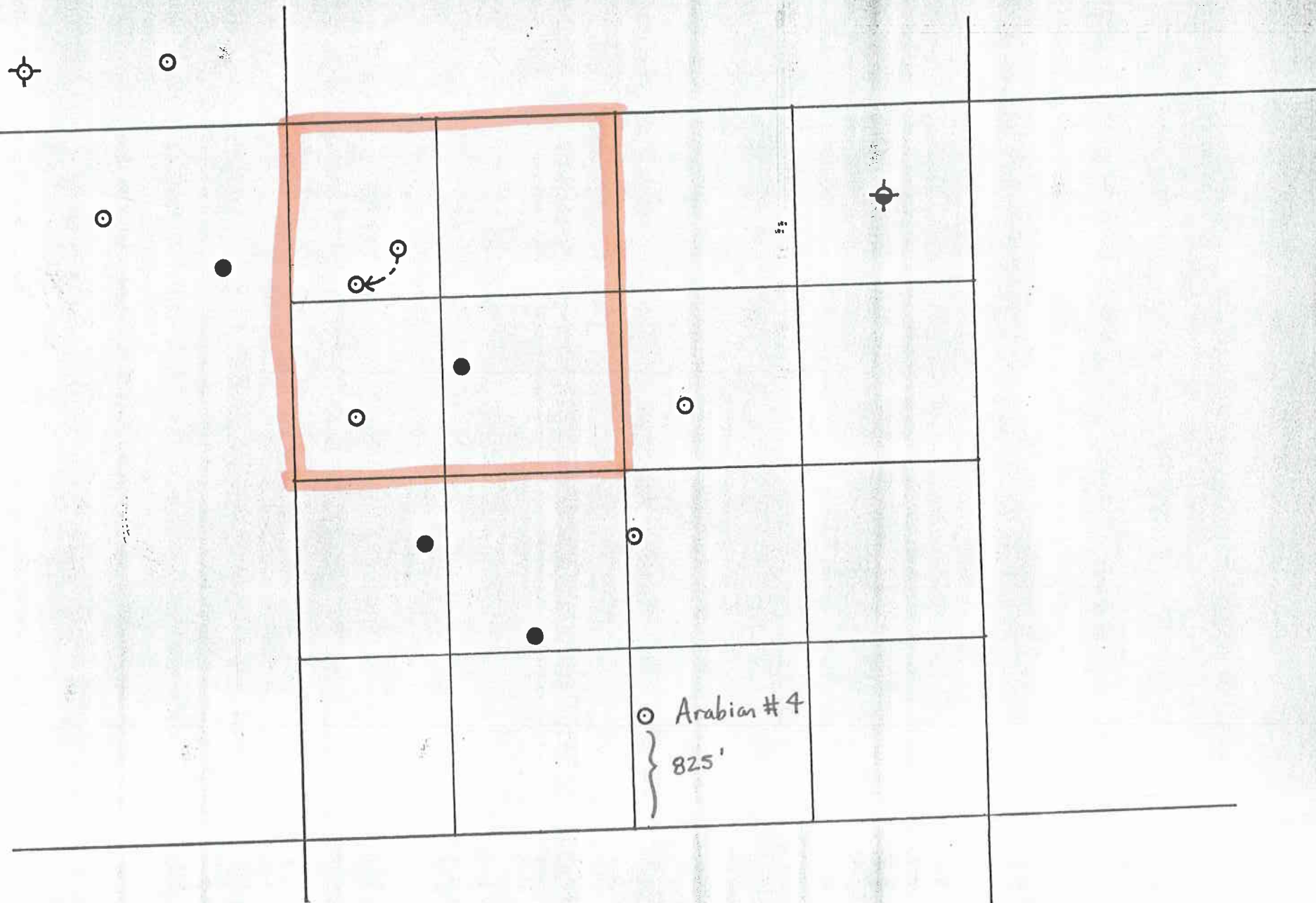
Pioneer O&G

REYNOLDS

Sec. 19
385-24E



Sec. 19
305-24E



ABO PETROLEUM CORPORATION

Arabian Federal #4
825' FSL & 2510' FEL
Section 19-T38S-R24E
San Juan County, Utah

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Abo Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is the Morrison formation.
2. The estimated tops of geologic markers are as follows:

Morrison	Surface	Paradox	5530'
Entrada	740'	Upper Ismay	5680'
Navajo	925'	Lower Ismay	5845'
Wingate	1520'	Upper Desert Creek	5935'
Chinle	1835'	Lower Desert Creek	5995'
Cutler	2680'	Akah	6040'
Honaker Trail	4600'	TD	6080'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered are:

Water: approximately 900'

Oil or Gas: Upper Ismay 5680'; Lower Ismay 5850'; Desert Creek 5935'

4. Proposed Cementing Program:

Surface Casing:

There will be one stage of cement. Cemented with 800 sacks of Class C 2 $\frac{1}{2}$ -CaCl₂ (600 cubic feet of cement) circulated. Casing shoe will be set at 1985' with float equipment set at approximately 1945'.

Intermediate Casing:

There will be one stage or as warranted of cement. Cemented with enough Class C to equal 220 cubic feet or approx. 300 sacks to reach est. top at 5000'. Float collar will be set at approx. 40' above TD with casing shoe set at TD.

NOTE: SAN JUAN RESOURCE AREA WILL BE NOTIFIED ONE (1) DAY PRIOR TO RUNNING CASING STRINGS AND CEMENT.

5. Pressure Control Equipment: BOP's will be installed. NOTE: San Juan Resource Area will be notified one (1) day prior to pressure testing.

6. Mud Program:

Fresh water to 5500'; fresh water gel & starch from 5500-TD with MW 8.5-9.8, Vis 35-45 & FL 10-15 cc's.

7. Auxiliary Equipment: Kelly cock, pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connectors.

8. Testing, Logging & Coring Program:

Samples: 10' samples caught out from under surface casing to TD.

DST's: Two (2) possible

Coring: None

Logging: DIL & CNL/LDT from TD to casing. Possible dipmeter and sonic.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company ABO PETROLEUM CORPORATION Well Name Arabian Federal #4
Location: Section 19 Township 38S Range 24E
County San Juan State Utah Lease No. U-56186
825' F S L, 2510' F E L

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM:

1. Surface Formation and Estimated Formation Tops: _____

2. Estimated Depth at Which Oil, Gas, Water or Other Minerals Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Zone</u>
Expected Oil Zones:	_____	_____
Expected Gas Zones:	_____	_____
Expected Water Zones:	_____	_____
Expected Minerals Zones:	_____	_____

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: _____

3. CONTINUED:

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure tested before drilling casing cement plugs. The San Juan Resource Area (will/will not be notified _____ days before pressure testing.

4. Casing Program and Auxiliary Equipment: _____

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The San Juan Resource Area (will/will not) be notified _____ days before running casing strings and cement.

5. Mud Program and Circulating Medium: _____

6. Coring, Logging and Testing Program: _____

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. If requested, samples (cuttings, fluids and/or gases) will be submitted to the District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: _____

8. Anticipated Starting Dates and Notifications of Operations:

The operator will contact the San Juan Resource Area at 801-587-2001, 48 hours before beginning any dirt work.

No location will be constructed or moved, no well will be plugged and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the San Juan Area Manager, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5) will be sent within 24 hours after spudding, reporting the spud date and time. The Sundry will be sent to the District Manager. If the spudding is on a weekend or holiday, the Sundry will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations," starting with the month in which operations begin and continue each month until the well is physically plugged and abandoned. This report will be sent to the BLM District Office, P. O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If a replacement rig is planned for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed, for prior approval of the District Manager. All conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergencies, verbal approval can be given by the District Petroleum Engineer.

If the well is successfully completed for production, then the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 business days following the date on which the well is placed on production.

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the San Juan Area Manager, or the appropriate surface manager.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Fed, Well number, location by 1/4 1/4 section, township and range, lease number.

A first production conference will be scheduled within 15 days after receipt of the first production notice. The San Juan Area Manager will schedule the conference.

Other: The following may be inspected and/or witnessed:

1. The cementing and testing of surface casing and testing BOP's.
2. (Dry Hole) Setting and testing of surface casing shoe plug.
3. (Depleted Producer) The setting and testing of plugs across the producing horizon and if applicable the surface casing shoe plug and/or annulus (Casing to formation) squeeze jobs.

Notify the San Juan Resource Area (Mike Wade) one day or on dry hole as soon as possible prior to the above at 801-587-2201 (Home 801-587-2026 or if unable to reach Mike, call Moab District Office Greg Noble at 801-259-6111 (Home) 801-259-8811.

B. THIRTEEN POINT SURFACE USE PLAN

1. Existing Roads:

A. Location of proposed well in relation to town or other reference point:

Approximately 5 miles north of Hatch Trading Post

B. Proposed route to location: Refer to Exhibit A.

C. Plans for improvement and/or maintenance of existing roads: County

maintained road. Existing and new access will be maintained in good or better condition.

The maximum total disturbed width will be 25 feet.

D. An encroachment permit will be obtained from the San Juan County Road Department, 801-587-2231, ext. 43.

E. Other: _____

2. PLANNED ACCESS ROADS

- A. The maximum total disturbed width will be 25 (width) feet.
- B. Maximum grade: 10% or less
- C. Turnouts: As needed
- D. Location (centerline): Flagged
- E. Drainage: As needed
- F. Surface Materials: Native
- G. Other: If well is drilled during wet weather conditions, surfacing materials may be required.

Each fence which is crossed by the road will be braced as shown in Enclosure No. 1, and tied off before cutting to prevent slackening of the wire. A gate or cattleguard which must be approved by BLM, will be installed.

If road construction cuts through natural topography which serves as a livestock barrier, a fence shall be constructed as shown in Enclosure 1.

Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance by the San Juan Area Manager.

The access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drill rig. If this time frame cannot be met, the San Juan Area Manager will be notified so that temporary drainage control can be installed along the access road.

The Class III Road Standards which ensure drainage control over the entire road through the use of natural, rolling topography; ditch turnouts; drainage dips; outsloping; crowning; low water crossings; and culverts will be determined at the appropriate field inspection.

3. Location of Existing Wells: See One-Mile radius map. Exhibit E is enclosed.

4. Location of Tank Batteries and Production Facilities:

All permanent (on site for 6 months or longer) above ground facilities (including pump jacks) will be painted a flat, nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5-State Inter-agency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The color will be _____.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place before any deliveries. Tests for meter accuracy will be conducted monthly for the first 3 months on new meter installations and at least quarterly thereafter. The San Juan Area Manager will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the San Juan Area Manager. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. LOCATION AND TYPE OF WATER SUPPLY

All water needed for drilling purposes will be obtained from: Private source

Use of water for this operation will be approved by obtaining a temporary use permit from the Utah State Engineer (801) 637-1303 and by receiving permission from the land owner or surface management agency to use the land containing the water source.

6. SOURCE OF CONSTRUCTION MATERIALS

Pad construction material will be obtained from: Private source if needed.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Construction material (will/will not) be located on lease.

7. METHODS OF HANDLING WASTE DISPOSAL

The reserve pit (will/will not) be lined with commercial bentonite sufficient to prevent seepage. At least half of the capacity will be in cut.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

7. CONTINUED:

A trash pit will be constructed near the mud tanks and dug at least six feet into solid undisturbed material. It will be totally enclosed with a fine wire mesh before the rig moves in. The road and pad will be kept litter free.

A burning permit is required for burning trash between May 1 and October 31. This can be acquired by contact the San Juan County Sheriff in Monticello, Utah.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. ANCILLARY FACILITIES

Camp facilities (~~will~~/will not) be required. They will be located: N/A

9. WELL SITE LAYOUT

The reserve pit will be located: Federal surface; note Exhibit C

The top _____ inches of soil material will be removed from the location and stockpiled separate from the trees on the _____ side. Topsoil along the access will be reserved in place.

Access to the well pad will be from: _____

10. RECLAMATION

- A. Immediately on completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of two feet of compacted soil.
- B. The operator/holder or his contractor will contact the San Juan Resource Area office in Monticello, Utah, 801-587-2201, 48 hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
- C. Before any dirt work to restore the location takes place, the reserve pit must be completely dry.
- D. All disturbed areas will be recontoured to blend as nearly as possible with the natural topography. This includes removing all berms and refilling all cuts.
- E. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped _____ inches deep with the contour.
- F. Water bars will be built as follows to control erosion.

10. CONTINUED

GRADE

SPACING

2%
2-4%
4-5%
5+

every 200 feet
every 100 feet
every 75 feet
every 50 feet

- G. Seed will be broadcast between October 1 and February 28 with the following prescription. A harrow or similar implement will be dragged over the area to assure seed cover.

_____ lbs/acre Indian ricegrass (Oryzopsis hymenoides)
_____ lbs/acre Galleta (Hilaria jamesii)
_____ lbs/acre crested wheatgrass (Agropyron desertorum)
_____ lbs/acre Western wheatgrass (Agropyron smithii)
_____ lbs/acre Alkali sacaton (Sporobolus airoides)
_____ lbs/acre Sand dropseed (Sporobolus cryptandrus)
_____ lbs/acre Fourwing saltbush (Atriplex canescens)
_____ lbs/acre Shadscale (Atriplex confertifolia)
_____ lbs/acre Green ephedra (Ephedra viridis)
_____ lbs/acre Cliffrose (Cowania mexicana)
_____ lbs/acre Desert bitterbrush (Purshia glandulosa)
_____ lbs/acre Winterfat (Eurotia lanata)
_____ lbs/acre Globemallow (Sphaeralcea ambigua)
_____ lbs/acre Wild sunflower (Helianthus annuus)
_____ lbs/acre

- H. After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas. The access will be blocked to prevent vehicular access.
- I. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed as described in the reclamation section. Enough topsoil will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

11. Surface Ownership: Federal surface

Minerals Ownership: Federal surface

12. Other Information: _____

12. CONTINUED:

There will be no change from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be used. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

If subsurface cultural materials are exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All people who are in the area will be informed by the operator/holder that they are subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will be done by a BLM approved archaeologist only if damage occurs.

This permit will be valid for a period of one year from the date of approval. After permit termination a new application will be filed for approval for any future operations.

Your contact with the District Office is: _____

Office Phone: _____ Address: _____

Resource Area Manager's address and contacts:
Address: _____

Your contact is: _____

Office Phone: _____

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION
Representative:

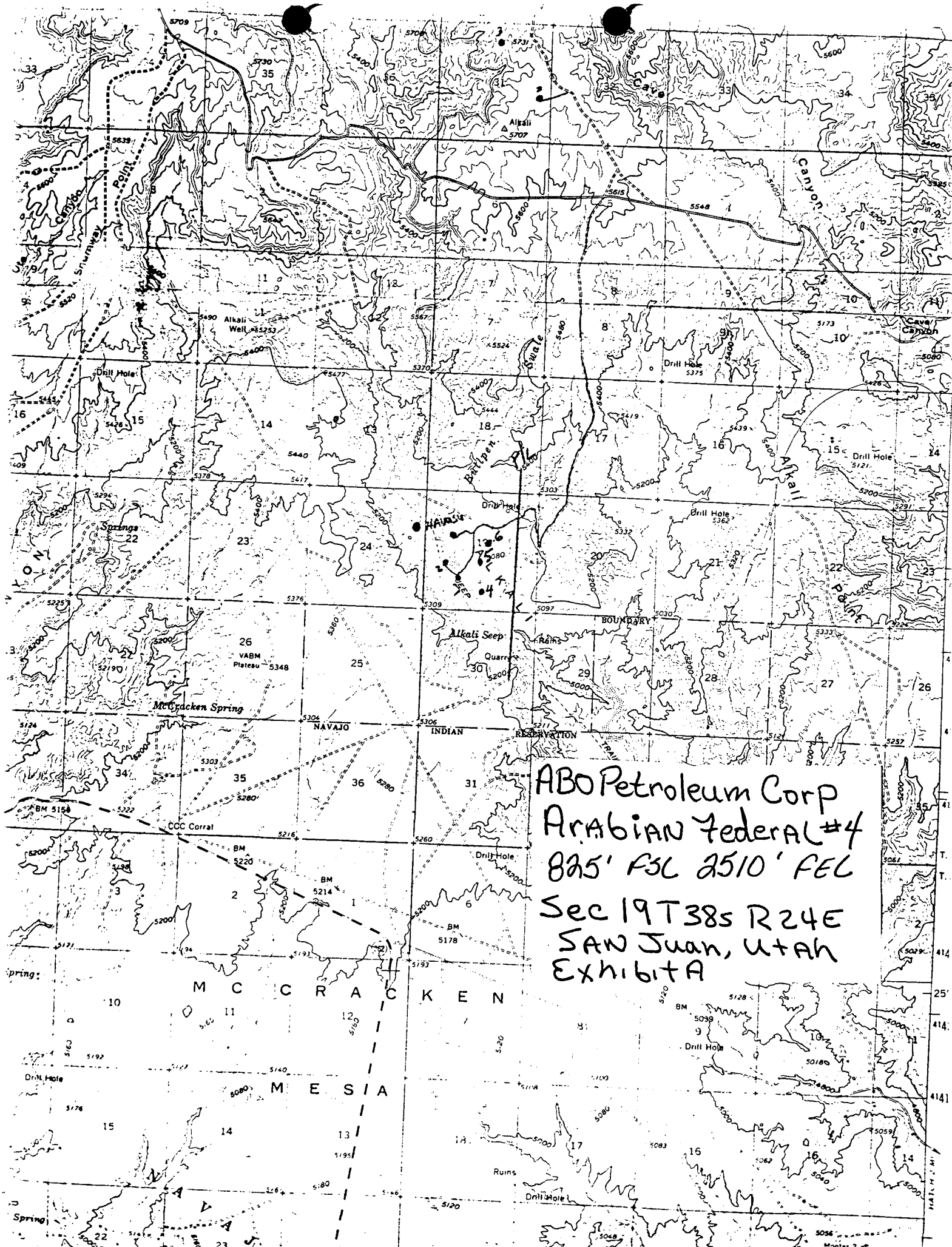
Name: Abo Petroleum Corporation
Address: 105 So. 4th St. - Artesia, NM 88210
Phone No. 505-748-1471

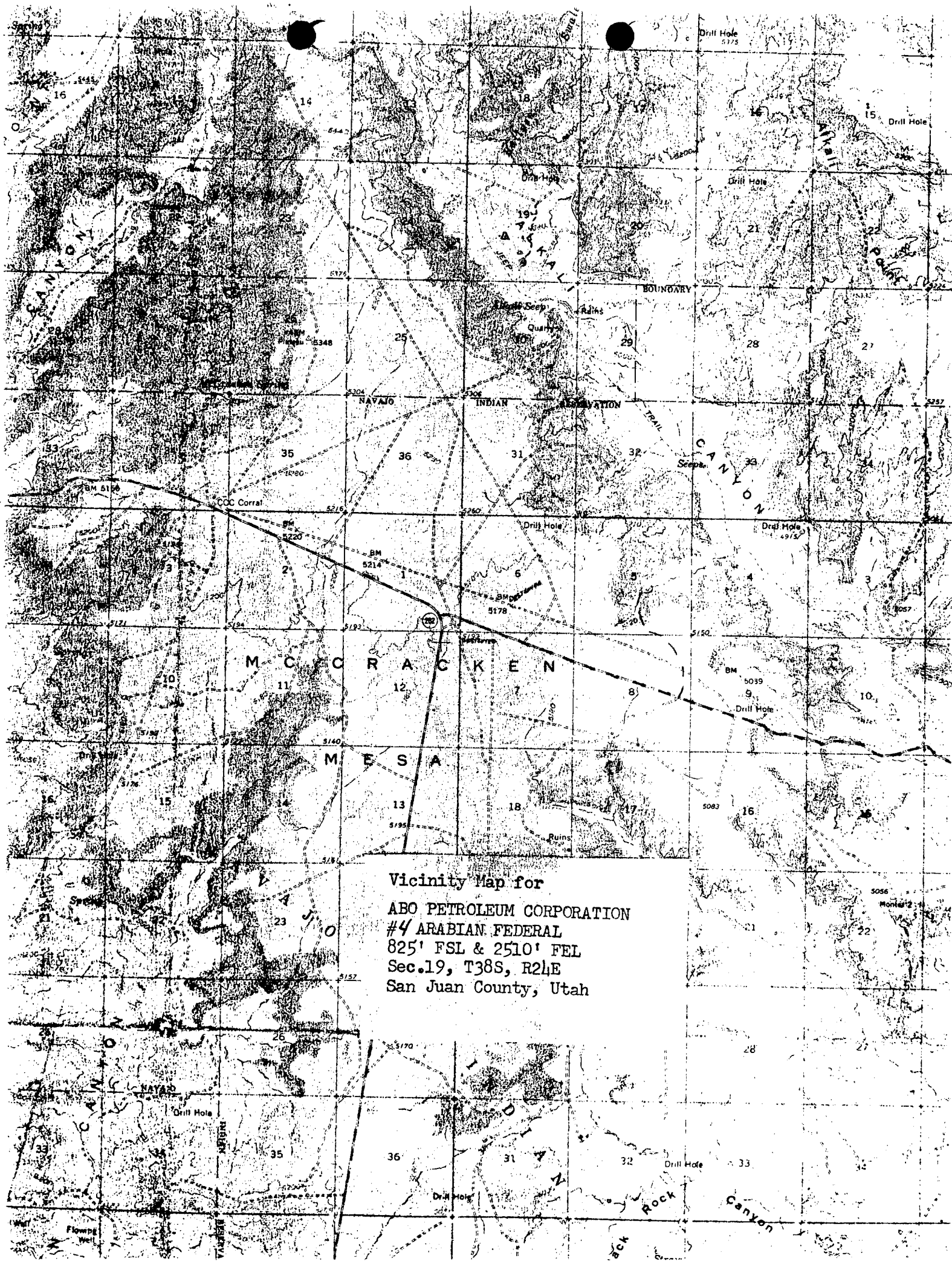
Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Abo Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date

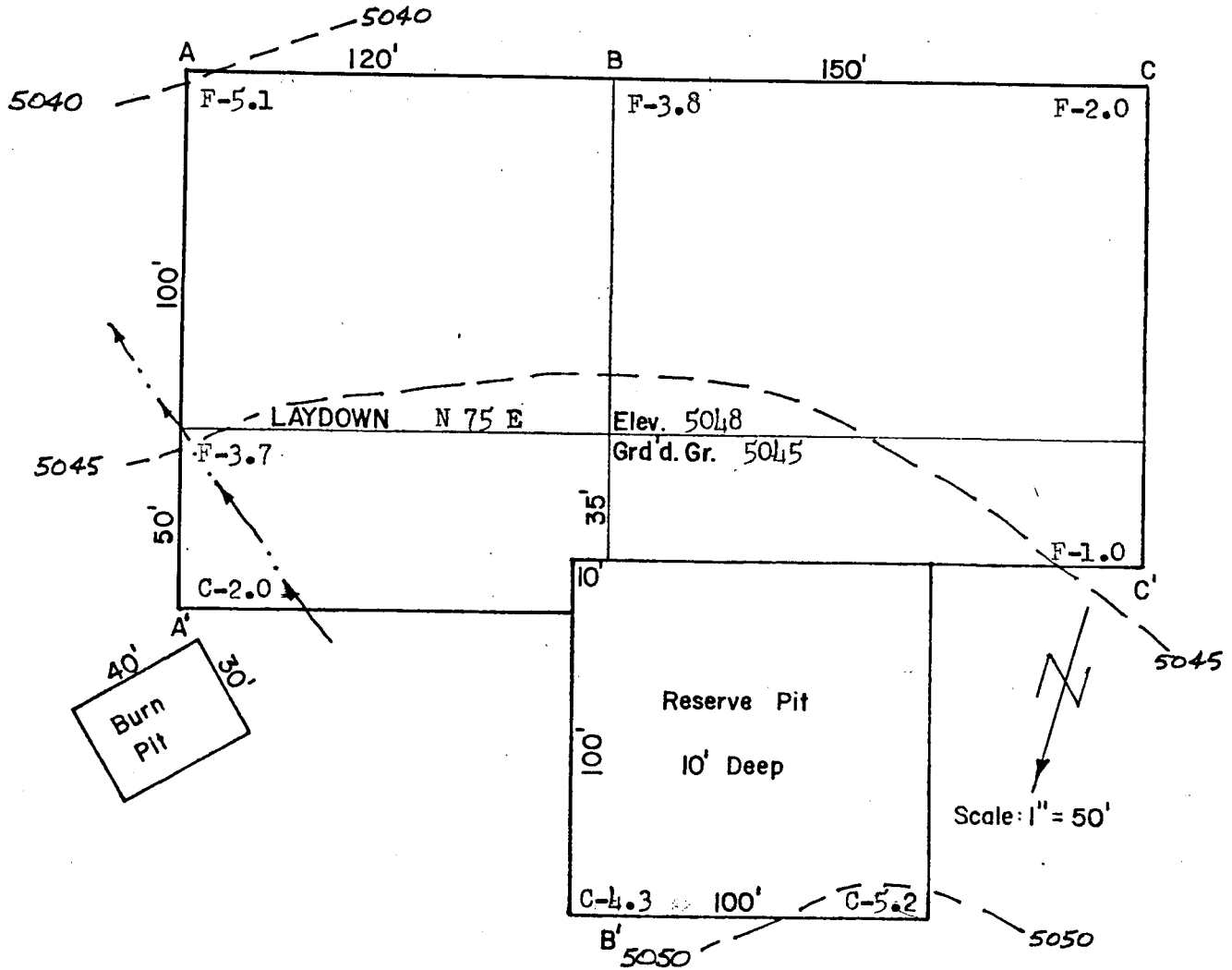
Cy Cowan
Regulatory Agent





Vicinity Map for
ABO PETROLEUM CORPORATION
#4 ARABIAN FEDERAL
825' FSL & 2510' FEL
Sec.19, T38S, R24E
San Juan County, Utah

ABO PETROLEUM CORPORATION
 #4 ARABIAN FEDERAL
 825' FSL & 2510' FEL
 Sec.19, T38S, R24E
 San Juan County, Utah



A-A'	Vert.: 1" = 30'	Horiz.: 1" = 100'	C/L				
5050							
5040							
B-B'							
5050							
5040							
C-C'							
5050							
5040							

Exhibit C

COLEMAN DRILLING CO

FRONT OF RIG NO. 3

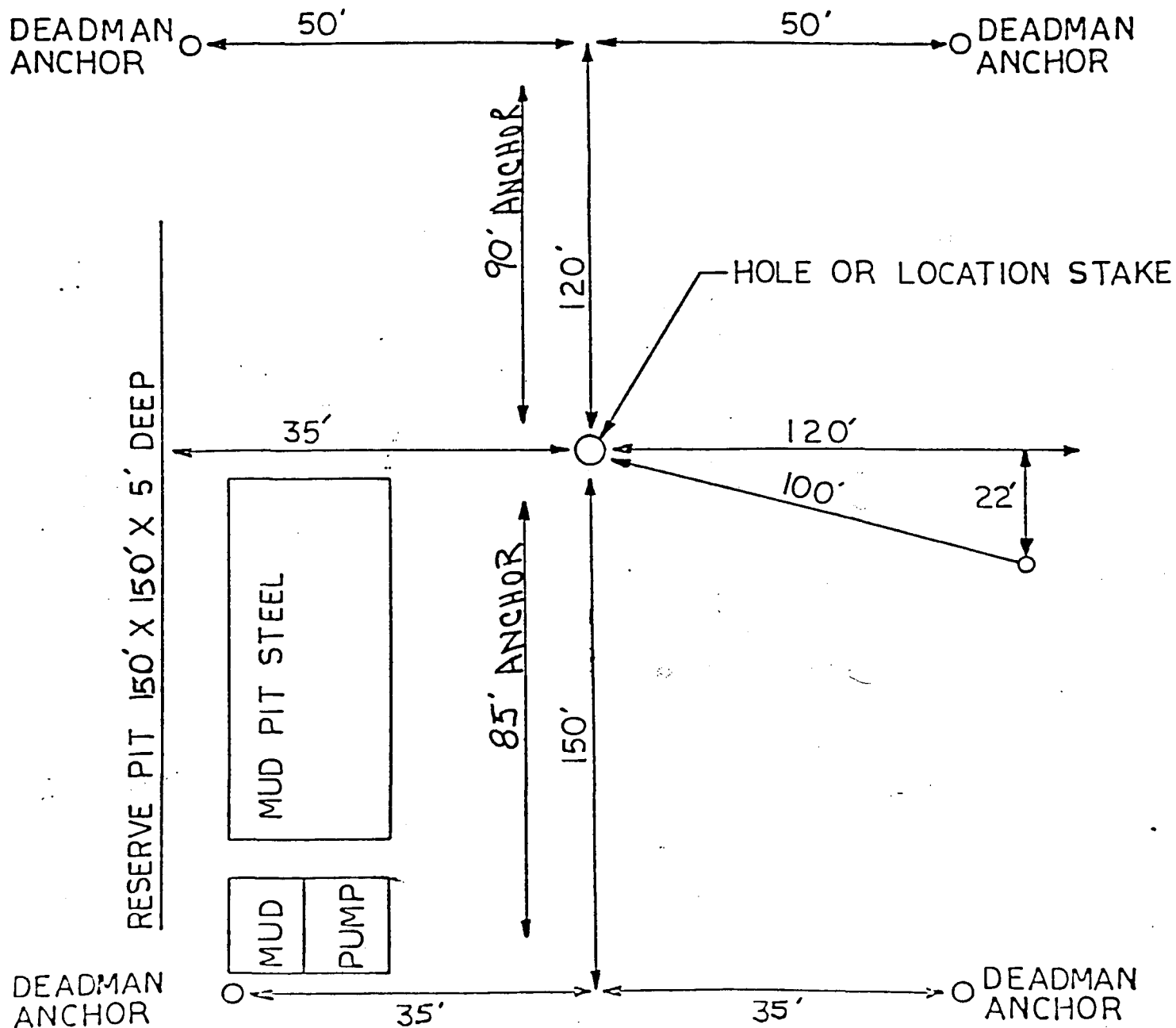
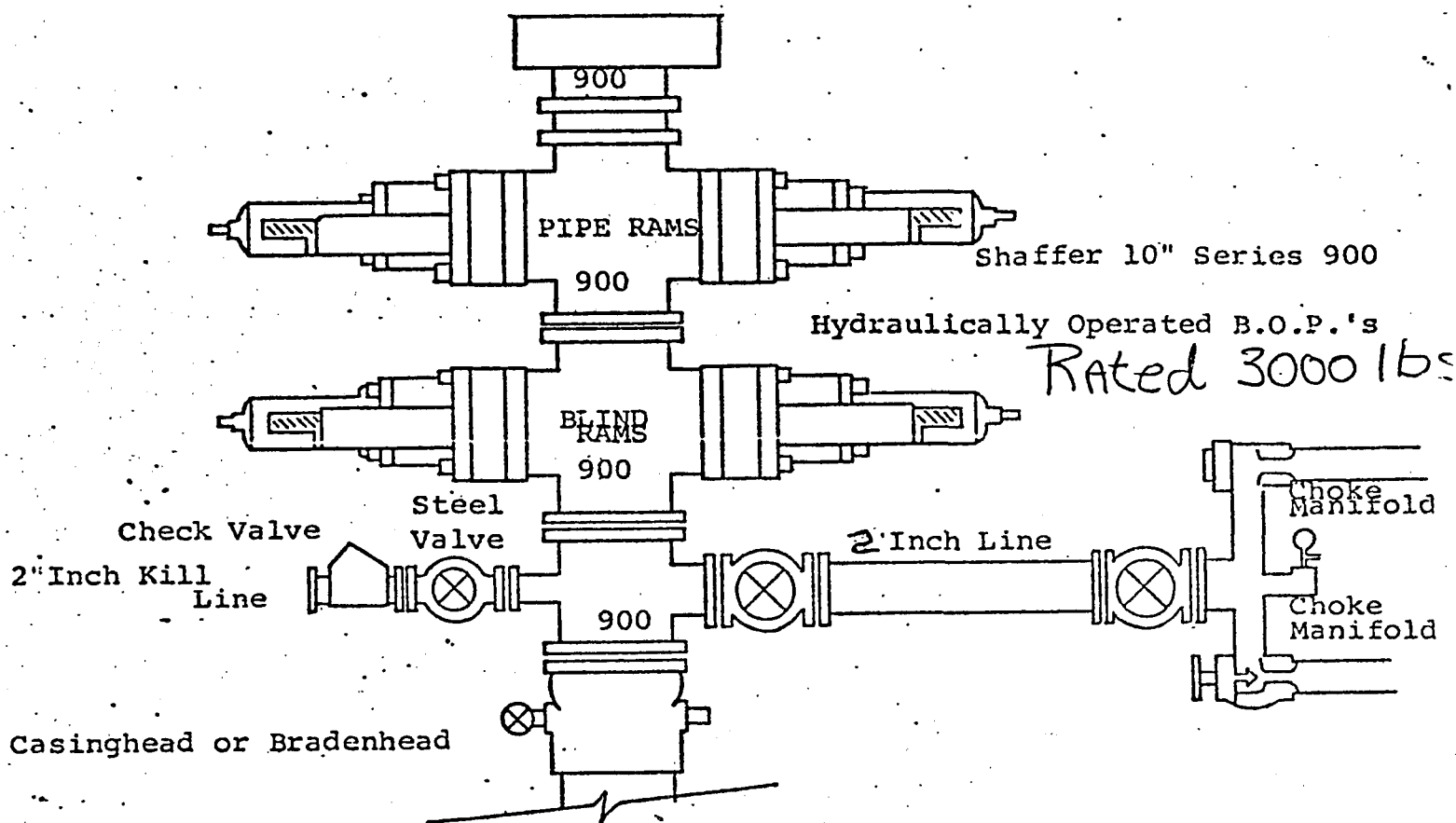


Exhibit D



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

FILING FOR WATER IN THE STATE OF UTAH

RECEIVED
DEC 23 1986

APPLICATION TO APPROPRIATE WATER

Rec. by CH
Fee Paid \$ 15.00
Platted 21567
Microfilmed _____
Roll # _____

DIVISION OF
OIL, GAS AND MINES
For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

WATER USER CLAIM NO. 09 - 1493

APPLICATION NO. T62207

1. PRIORITY OF RIGHT: December 12, 1986

FILING DATE: December 12, 1986

2. OWNER INFORMATION

Name: ABO Petroleum Corporation
Address: 105 South Fourth Street, Artesia, NM 88210
The land is not owned by the applicant(s), see explanatory.

3. QUANTITY OF WATER: 5.0 acre feet (Ac. Ft.)

4. SOURCE: Artesian Well DRAINAGE: San Juan River

POINT(S) OF DIVERSION:

COUNTY: San Juan

(1) N. 50 feet, W. 480 feet, from the E $\frac{1}{4}$ Corner of Section 12,
Township 38 S, Range 24 E, SLB&M
Description of Diverting Works: 8 inch diameter well 506 ft.

COMMON DESCRIPTION: 7.5 mi. No. Hatch Trading Post

5. STORAGE

Water is to be stored in Unnamed reservoir from January 1 to December 31.
Capacity 5.0 ac.ft. Innundating 0.25 acres. Height of dam feet.
The area Innundated by the reservoir includes all or part of each of the following legal subdivisions.

TOWN	RANGE	SEC	North East Quarter				North West Quarter				South West Quarter				South East Quarter			
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$
38 S	24 E	12	X															

All locations in Salt Lake Base and Meridian

6. NATURE AND PERIOD OF USE

Oil Exploration From December 15 to December 15.

7. PURPOSE AND EXTENT OF USE

Oil Exploratio: Oil well drilling

8. PLACE OF USE

The water is used in all or parts of each of the following legal subdivisions.

TOWN	RANGE	SEC	North East Quarter				North West Quarter				South West Quarter				South East Quarter			
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$
38 S	24 E	19		X												X	X	

All locations in Salt Lake Base and Meridian

EXPLANATORY

Appropriate

STATE ENGINEER'S ENDORSEMENT

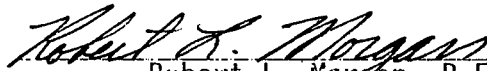
WATER RIGHT NUMBER: 09 - 1423

APPLICATION NO. T62207

1. December 12, 1986 Application received by MP.
 2. December 12, 1986 Application designated for APPROVAL by MP and SG.
 3. Comments:
-
-

Conditions:

This application is hereby APPROVED, dated December 19, 1986, subject to prior rights and this application will expire on December 19, 1987.



Robert L. Morgan, P.E.
State Engineer

CONFIDENTIAL

010702

OPERATOR Alto Petroleum Corp DATE 1-2-87

WELL NAME Arabian Fed. 4

SEC SWSE 19 T 38S R 24E COUNTY San Juan

43-037-31300
API NUMBER

Fed.
TYPE OF LEASE

CHECK OFF:

☐

PLAT

☐

BOND

☒

NEAREST
WELL

☒

LEASE

☒

FIELD

☐

POTASH OR
OIL SHALE

PROCESSING COMMENTS:

No other well within 920'

Water α - #09-1493 (T62207)

Exception location requested

APPROVAL LETTER:

SPACING: ☐ 203 _____ UNIT

☐ 302

☐

CAUSE NO. & DATE

☒

302.1

STIPULATIONS:

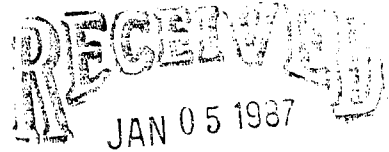
APD 2/22/88
Adding
BLM
(not approved!)



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

January 2, 1987



DIVISION OF
OIL, GAS & MINING

BLM
P. O. Box 970
Moab, UT 84532

ATTENTION: Carol Frudiger

RE: YPC's McCracken Spring #3-31
Abo Petroleum Corporation's:
Arabian Federal #4, 5 & 6
San Juan County, Utah

Dear Ms. Frudiger:

The application for permit to drill on the above captioned wells got out of our office without being marked TITE HOLE. These wells are Tite Holes and we would like these wells to be kept confidential.

Thank you for your cooperation in this matter.

If you have any questions, please do not hesitate to call.

Sincerely yours,

YATES PETROLEUM CORPORATION


Rusty Jernigan
Regulatory Secretary

rj

cc: State of Utah
Division of Oil, Gas & Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, UT 84180-1203
ATTENTION: Arlene Sollis



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

January 5, 1987

Abo Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

Re: Arabian Federal 4 - SW SE Sec. 19, T. 38S, R. 24E
825' FSL, 2510' FEL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule 302.1, Oil and Gas Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.
5. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable State and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.

Page 2

Abo Petroleum Corporation

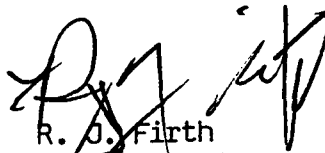
Arabian Federal 4.

January 5, 1987

6. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31300.

Sincerely,

A handwritten signature in dark ink, appearing to read 'R. J. Firth', is written over the typed name.

R. J. Firth
Associate Director, Oil & Gas

as

Enclosures

cc: Branch of Fluid Minerals

D. R. Nielson

8159T

CONFIDENTIAL
O.C.M.

38 S 24E

sec. 19

43-037-31287 POW

43-037-31314 Orl. (conf.)

43-037-31301 Orl. (conf.)

43-037-31282 POW

43-037-31278 POW

43-037-31302 Orl. (conf.)

43-037-31296 Orl. (conf.)

~~43-037-31275~~

43-037-31300 Orl. (conf.)

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE

3046
REC'D MOO 11/10/88

020821

OIL OR HAZARDOUS SUBSTANCE DISCHARGE

1. Investigation Number _____ Date of Spill 1-26-88 Time AM (Military)
Spill Notification: By _____ Date _____ Time _____
Investigators NONE YET
Investigation Date _____ Time _____ Investigation Time (man/hrs) _____
EPA Notification NA State Division of Health Notification NA
2. Place of spill ALKALI CANYON
Legal Description T385 R24E Sec 19
County SAN JUAN Nearest Town BLANDING UTAH
Did spill enter a waterway? NO If so, name _____ class _____
Extent of spill 230 BARRELS
Type of spill (Region VII: Contingency Plan Definitions) major _____ medium X
minor _____
Responsible Polluter MEDIAN OIL Address PILLINGS MOUNT
Contact Person (if known) BILL SPOON Phone Number 406 256 4121

Type of Operation - check one:

Pipeline _____
Drilling _____
Refinery _____
Other _____

CONFIDENTIAL
C.O.M. Tank Battery X
Transportation _____
List Vehicle _____

Type of Oil or Product and Amount:

Gasoline _____
Kerosene _____
Cruce X
Other _____

(RETURN)

Cause of spill LEAK IN LINE FROM LAC METER TO SLOP TANK

LEST OIL CONTAINED WITHIN FIREWALL.

3. Draw a simple map showing permanent landmarks and extent of spill on the reverse side of this page.

4. Cleanup Operations: Date of Cleanup Completion 1-26-88 Time _____

Methods - check those which apply:

Burning X
Skimming X
Pumping X

Absorption _____
Burial X
Other (explain) _____

Brief summary of cleanup operation (problem, etc.)

OIL CONTAINED WITHIN FIREWALL - WILL BE PUMPED OUT. REMAINING OIL WILL BE BURNED AND ANY RESIDUE REMOVED TO RESERVE PIT ON 42-24

5. Remarks _____

COMPANY: ABO PETRO UT ACCOUNT # _____ SUSPENSE DATE: _____

WELL NAME: ARABIAN FED 4

API #: 43 037 31300

~~TELEPHONE~~ CONTACT DOCUMENTATION

SEC, TWP, RNG: 19 38S 24E

CONTACT NAME: _____

CONTACT TELEPHONE NO.: _____

SUBJECT: IS WELL READY TO LA?

(Use attachments if necessary)

RESULTS: BLM HAS NOT APPROVED

HOLD. BLM Rescinded 4-5-6

(Use attachments if necessary)

CONTACTED BY: VC

DATE: 3-7-88

6-9-88 - AS.

9-26-88 - AS.

Rescinding - now approved.

BLM to return permit. well send copy of letter
if returned.

RECEIVED
OCT 31 1988

DIVISION OF
OIL, GAS & MINING

Moab District
P. O. Box 970
Moab, Utah 84532

3162 (U-065)
(U-56186)

OCT 27 1988

Abo Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Re: Returning Application for Permit
to Drill
Well No. Arabian Federal 4
Sec. 19, T. 38 S., R. 24 E.
San Juan County, Utah
Lease U-56186

43-037-31300

Gentlemen:

The Application for Permit to Drill (APD) the above well was received December 23, 1986. In a conversation with Cy Cowan on April 15, 1987, we were advised that Abo Petroleum Corporation was still undecided whether to pursue approval of this application.

Since that time, our San Juan Resource Area office recommended that we return your application. An onsite for this location was completed December 22, 1986 and due to recent road and pipeline development a new onsite would be required to complete the surface use portion of this APD.

In view of the foregoing, we are returning your Application for Permit to Drill unapproved. At a future date, if you intend to drill this location a new application must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals (801) 259-6111.

Sincerely yours,

/s/ WILLIAM C. STRINGER

District Manager

ACTING

Enclosure
Application for Permit to Drill

cc: San Juan Resource Area

State of Utah, Division of Oil, Gas and Mining
Salt Lake City, Utah 84180-1203 ✓ (w/panel)

CFreudiger/cf 10/26/88

OIL AND GAS	
EDM	RJF
JND	GLH
ET	SLS
1-TAS	
2- MICROFILM ✓	
3- FILE	



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

November 7, 1988

Abo Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

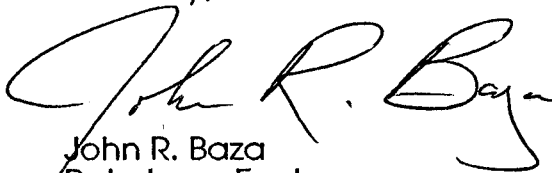
Gentlemen:

Re: Arabian Federal 4, Sec. 19, T.38S, R.24E, San Juan County, Utah
API NO. 43-037-31300

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,



John R. Baza
Petroleum Engineer

tc

cc: D. R. Nielson

R. J. Firth

BLM-Moab

Well file

WE16/75